

Tarak Mehta, Head of Low Voltage Products, ABB Ltd., Capital Markets Day, September 9, 2015

Next Level Stage 2

New Electrification Products division: Power & Automation for the site

Important notices

Presentations given during the Capital Markets Day 2015 include forward-looking information and statements including statements concerning the outlook for our businesses. These statements are based on current expectations, estimates and projections about the factors that may affect our future performance, including global economic conditions, and the economic conditions of the regions and industries that are major markets for ABB Ltd. These expectations, estimates and projections are generally identifiable by statements containing words such as “expects,” “believes,” “estimates,” “targets,” “plans,” “outlook” or similar expressions.

There are numerous risks and uncertainties, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking information and statements made in this presentation and which could affect our ability to achieve any or all of our stated targets. The important factors that could cause such differences include, among others:

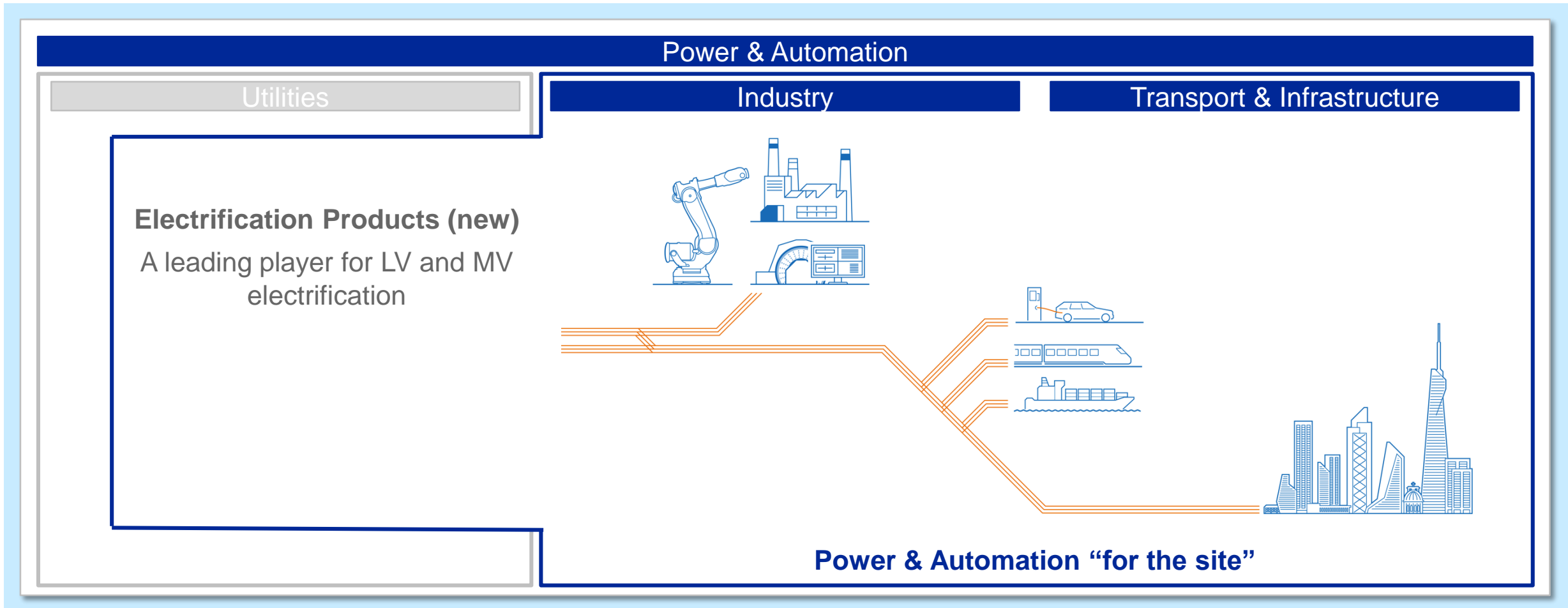
- business risks associated with the with the volatile global economic environment and political conditions
- costs associated with compliance activities
- raw materials availability and prices
- market acceptance of new products and services
- changes in governmental regulations and currency exchange rates, and,
- such other factors as may be discussed from time to time in ABB Ltd’s filings with the U.S. Securities and Exchange Commission, including its Annual Reports on Form 20-F.

Although ABB Ltd believes that its expectations reflected in any such forward-looking statement are based upon reasonable assumptions, it can give no assurance that those expectations will be achieved.

The presentations also contain non-GAAP measures of performance. Definitions of these measures and reconciliations between these measures and their US GAAP counterparts can be found in “Supplemental financial information” under “Capital Markets Day 2015” on our website at <http://new.abb.com/investorrelations/>

Shifting the Center of Gravity – divisional realignment

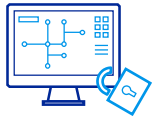
New Electrification Products division



BU Medium Voltage Products

Offering management for profitable growth

Product Offering Strategy



Smart technologies

Grid upgrade: focus on feeder automation, remote monitoring and control



Eco-efficiency

Innovative, new technologies mitigate the impact on the environment



Mid-segment

Full range: cost-efficient product offering to meet different regional requirements



Competitiveness

Focus on SCM and product development to retain profitability and competitiveness

Enabling high-end competitiveness and penetration in a challenging market

Electrification Products division

Market offering overview

Examples



Flexible conduit



Light switch ranges



Door entry systems



Blind control



Miniature Circuit Breakers (MCBs)



Enclosures



MV UniGear Digital



Air circuit breakers



Apparatus



Distribution automation



Fittings & groundings



Contactors and overload relays



Softstarters



Safety sensors, switches



LV & MV switchgear



ANSI switchgear



MV motor control centers



Modular systems



Service

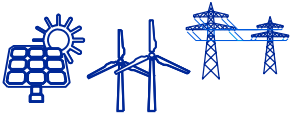
Complete electrification offering “for the site”

Electrification Products division

Well positioned in attractive markets

Attractive markets

Utilities



Renewable
electrification

Smart
distribution

Industry

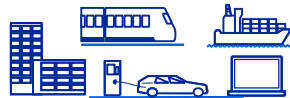


Electrical
distribution

Power quality
& reliability

Safety & protection

Transport & Infrastructure



Building
electrification &
automation

Transport
electrification

Data centers

Well positioned

1 in Medium Voltage products – pure player

2 in breakers (Low Voltage & Medium Voltage)

Global top 3 in electrical distribution channels¹

Competition

CHINT

EATON
Powering Business Worldwide

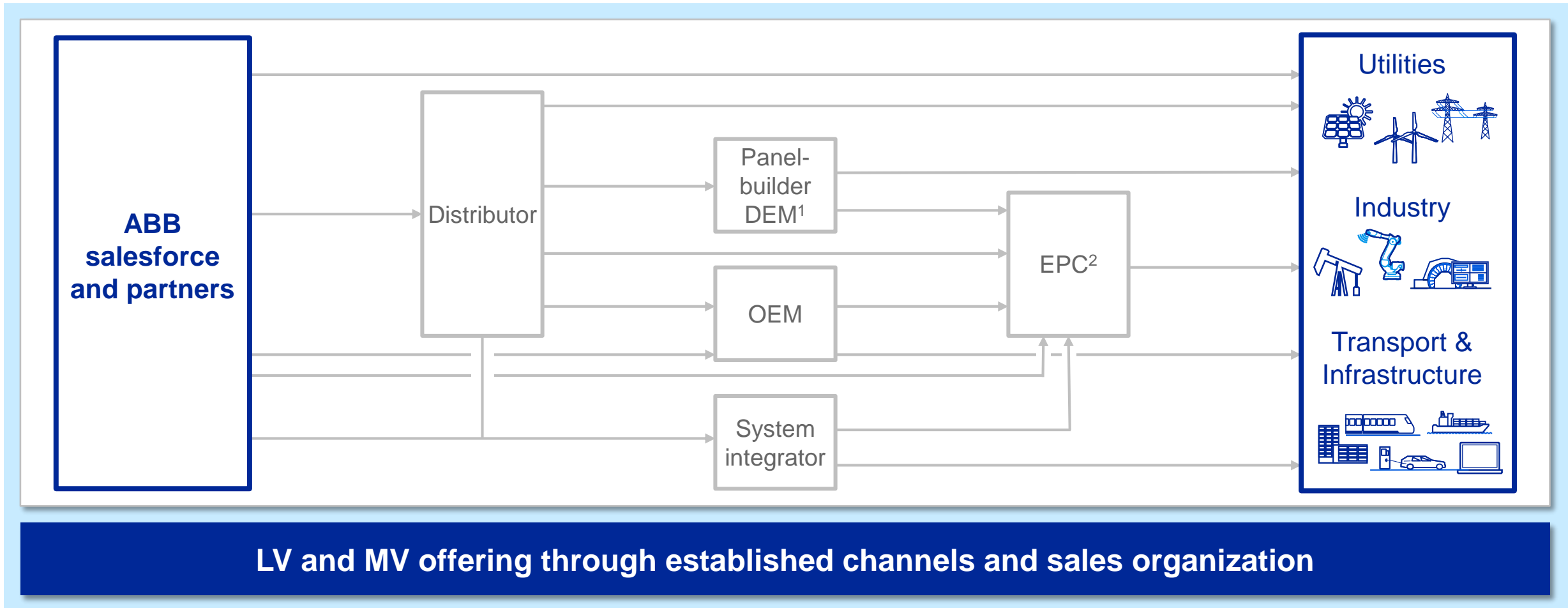
legrand[®]

Schneider
Electric

Market leading offering in high-growth markets

Electrification Products division

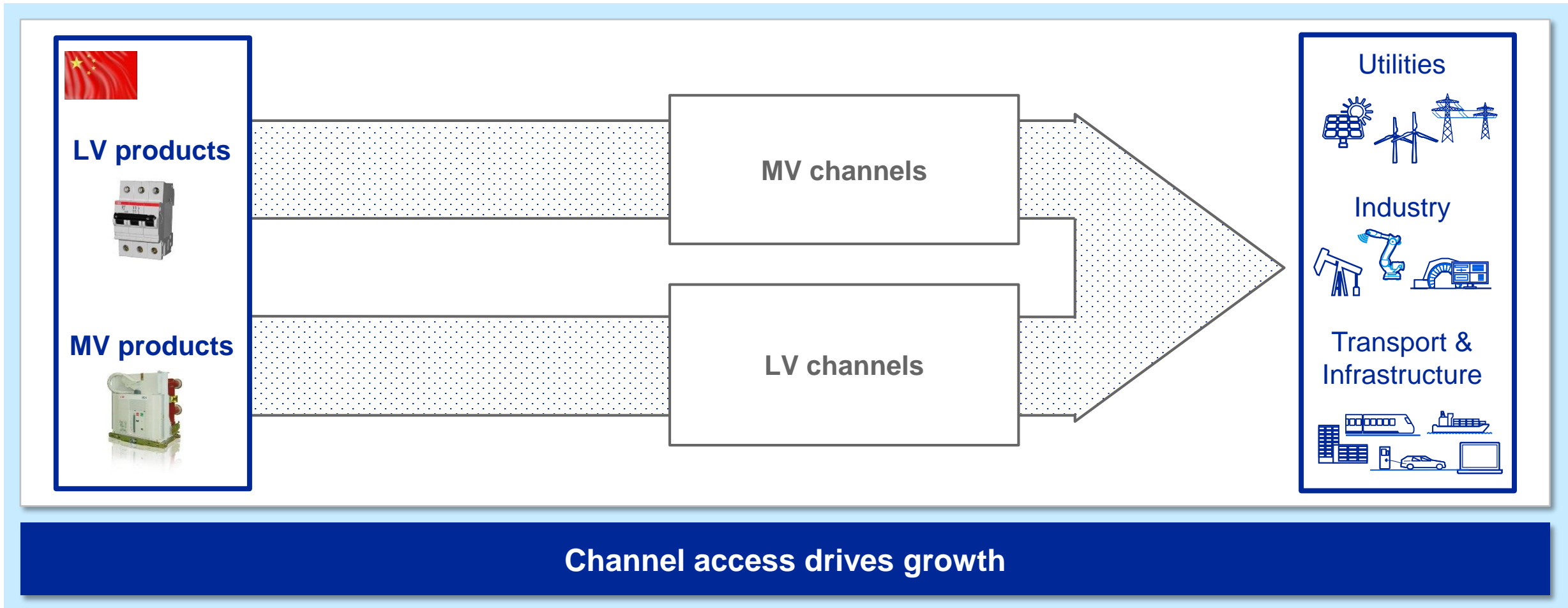
Driving multi-channel approach to market



LV and MV offering through established channels and sales organization

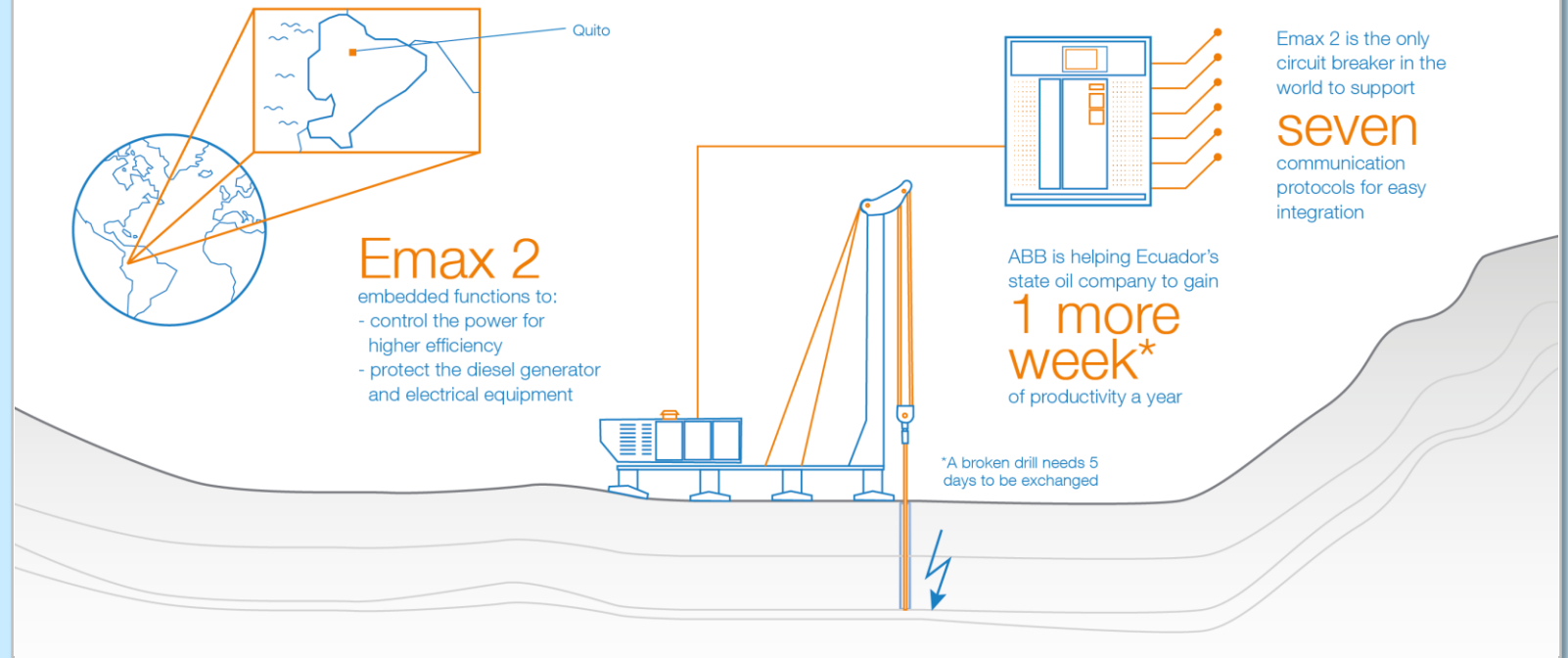
Shifting the Center of Gravity – driving organic growth

Penetration: cross-selling



Shifting the Center of Gravity – driving organic growth

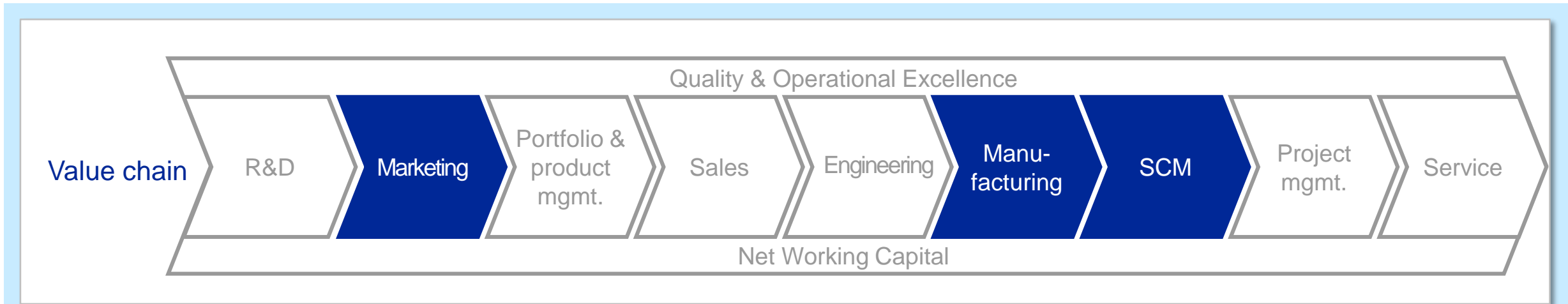
Innovation for Ecuador's state oil company



Significant customer impact with Power & Automation combination

Relentless Execution

Value chain



Stage 1

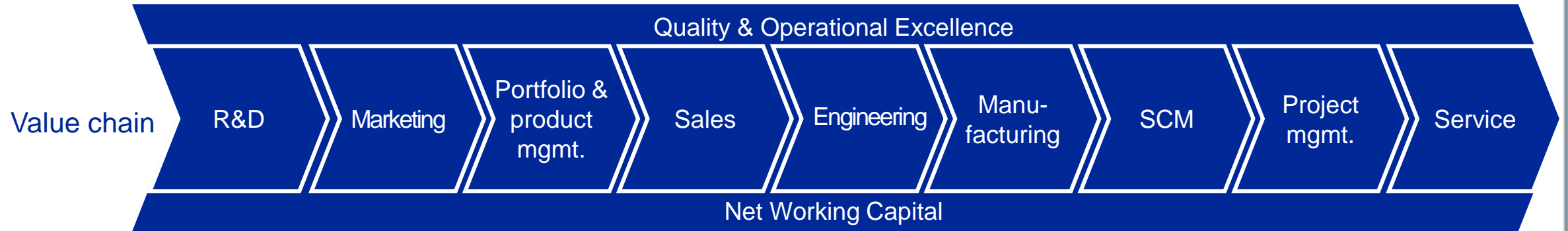
Savings program focused on Marketing, Manufacturing and Supply Chain Management

2015 impact: ~\$30 mn

Process focus delivers savings

Relentless Execution

Integrated value chain



Stage 2

Comprehensive program focused on the entire value chain

Continue focus on Working Capital

Building on a strong track record of cost and cash management

Relentless Execution

Example: value chain optimization logistics

Regional Distribution Center

12 months in operation



Results

From 5,000 to 20,000 SKUs

Lead time: ↓80%

ROTD¹: ↑80%

	2010	2014
NPS ² :	30	60

Wider roll-out

Implement best practice

Middle East RDC in progress

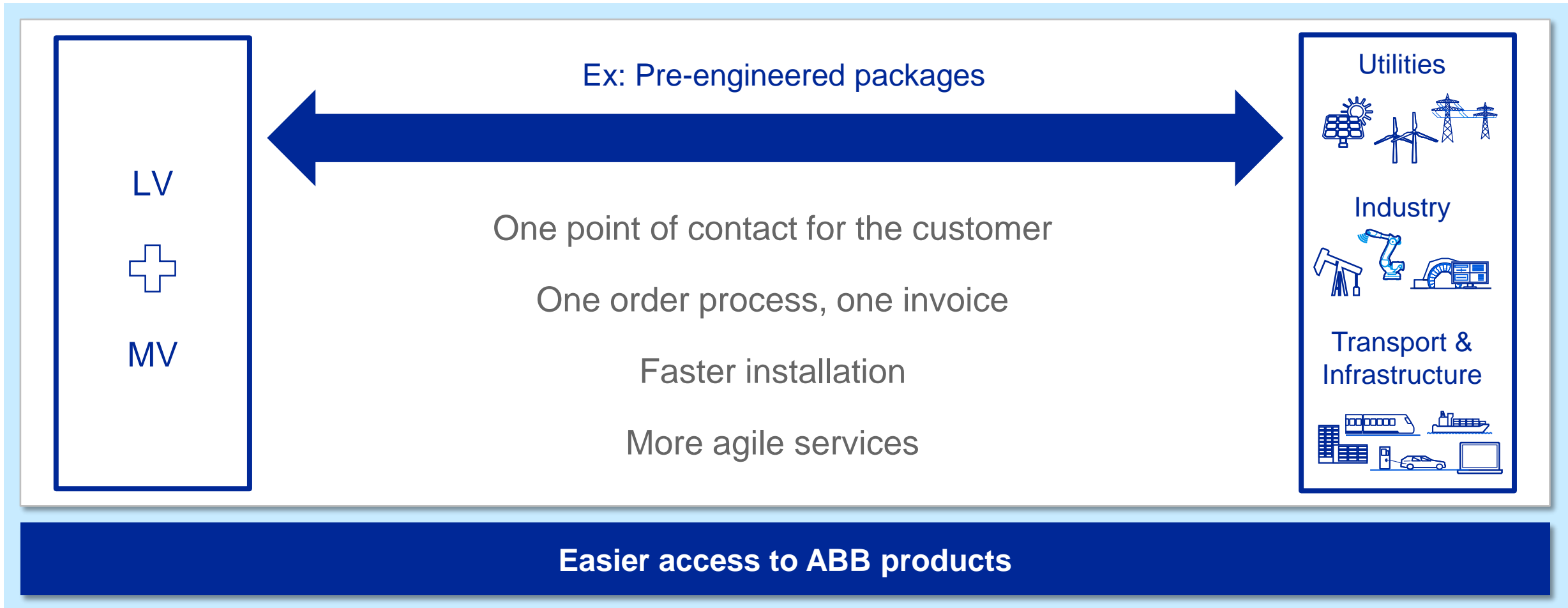
Analysis complete for EU and South America

Continued focus on logistics and inventory management

Logistics delivers superior customer experience and lower Working Capital

Business-led Collaboration

Single face to the customer



Electrification Products division

Accelerating transformation – summary

LV



MV

Sell the way customers want to buy

Best team in the industry

Building on strong performance to deliver more

Well positioned for profitable growth

Power and productivity
for a better world™

